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MC MEST MY

OLC 78-0808/2

5 June 1978

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MEMORANDUM FOR:

OGC Logistics and Procurement Division

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FROM:

Assistant Legislative Counsel

SUBJECT:

S. 2259, the "Small Business Procurement Expansion

and Simplification Act"

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l. As we discussed this morning, here is a copy of the letter wrote before he left on S. 2259, a bill to amend the Small Business Act. As you can see, the letter raises a number of arguments regarding the specific manner in which the bill could impact on Agency procedures; implicit in this line of argument, however, is a recognition that the Small Business Act does in fact apply to the Agency. This is the question that troubles me. In other words, since, as you say, we do not now operate within the parameters of the Small Business Act, why are we worried about a bill that would simply make changes to that Act? If it is a question of not operating according to the Small Business Act for reasons that would not comfortably be justifiable, then we run the risk of having what might be some hard questions put to us when the Congress receives this letter.

- 2. I would not argue that we necessarily should change the letter; perhaps this is the only way we can approach the problem. What I wanted to be sure of, however, is that we send forward a letter in full recognition of the problems it could present regarding the underlying issue of our relationship to the Small Business Act.
- 3. Since the Select Committee on Small Business is scheduled to mark up this bill sometime this month, and since we have to clear our letter through CMB before sending it to the Congress, we need to finalize our letter as soon as possible. Please let me have your answer to the above questions and any other thoughts you might have on this matter within the next day or two. Thank you.

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